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April 15, 2020

U.S. Department of the Interior
Bureau of Ocean Energy Management

Re: *In re Hoactzin Partners, L.P.*, Case No. 19-33545-sgj7

Dear Sir or Madam:

This firm represents Anne Elizabeth Burns, Chapter 7 Trustee for the bankruptcy estate of Hoactzin Partners, L.P. ("Hoactzin") in Case No. 19-33545-sgj7 pending in the United States Bankruptcy Court, Northern District of Texas, Dallas Division. Hoactzin is the operator of four terminated leases listed on the attached Exhibit A (the "Leases").

The Trustee presently has less than \$5,000 cash in the Hoactzin bankruptcy estate and no other available assets. Based on the extremely limited resources in this bankruptcy estate, the estate is not in a position to fund any of Hoactzin's obligations under the Leases, including plugging, abandonment, or decommissioning. Further, the estate cannot fund any maintenance, inspections, or site visits that may be required by applicable regulations. In short, Hoactzin is wholly in default on its obligations as operator.

The purpose of this letter is to inform the recipients of impending risks that may arise given Hoactzin's inability to meet its obligations under the Leases so that the recipients can take any appropriate actions regarding the Leases.

Very truly yours,

Emily S. Wall
Counsel for Anne Elizabeth Burns, Chapter 7 Trustee

Hoactzin Partners, L.P.

Leases	
Lease OCS-G 06168	High Island Block 196
Lease OCS-G 34831	Ship Shoal Block 145
Lease OCS-G 11984	Ship Shoal Block 159
Lease OCS-G 25007	West Delta Block 62
Right of Use and Easement	
RUE OCS-G 30307	High Island Block 176 – Platform A
RUE OCS-G 30290	High Island Block 176 – Platform B
RUE OCS-G 30275	Ship Shoal Block 144 – Caisson #1
RUE OCS-G 30327	West Delta Block 62 – Platform D
Right of Way	
ROW OCS-G 29226	Pipeline Segment #109050
ROW OCS-G 26945	Pipeline Segment #8933
ROW OCS-G 28745	Pipeline Segment #14995